GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1743
ANSWERED ON:03.03.2003
DECLINE IN PRICE OF COTTON
BASUDEB ACHARIA

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the price of cotton has declined sharply since 1995;

(b) if so, the details of price of cotton since 1995 to 2002, year wise;

(c) whether due to adverse climatic conditions cotton crops were destroyed in various cotton growing areas in the country;

(d) if so, whether the Government carried out any survey to ascertain the impact on the cotton growers;

(e) if so, the details thereof, State-wise;

(f) whether the Government announced any relief measures to the distressed cotton farmers; and

(g): if so, the details thereof, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a)&(b): The Annual Average Prices of some important varieties of cotton from 1995-96 to 2001-2002 are given below:

(Rs. per candy spot)

Year	Cotton varieties	
	J-34	H-4
1995-96	16119	17776
1996-97	16041	19003
1997-98	18792	20261
1998-99	16828	18964
1999-2000	16099	18461
2000-01	17963	19676
2001-02	14203	15559

(1 candy = 355.62 kgs)

From the above data it will be seen that there was a fluctuating trend in the prices of cotton from 1995-96 till 2001-02. Cotton prices registered rise in some years and fall in certain other years.

(c)to(e): While no survey is reported to have been undertaken, the Government has taken note of reports of dearth of rains and scarcity of water in a few cotton growing states. However, adverse impact of drought and water scarcity has been somewhat compensated due to lower incidence of pest and diseases in different states.

(f)&(g): To protect the interests of cotton cultivatiors, the Government has announced in addition to the Minimum Support Price (MSP) a Special Drought Relief Price (SDRP) of Rs.20/- per quintal forcotton for 2002-03 season payable in all cotton growing States. The SDRP would be payable wheneverprice support operations are undertaken by the Cotton Corporation of India (CCI). The CCI is required to undertake price support operation in cotton, whenever the market prices rule below the MSP.